RED OWL ANNUAL REPORT

RED OWL STORES, INC. | FOR YEAR ENDED JAN. 31, 1970

CONTENTS:

Fish eye camera view of the new ultra modern Minneapolis, Minnesota 24th and Hennepin store. This 19,636 sq. ft. supermarket replaces a smaller 1950 era unit at the same location.

The annual shareholders' meeting will be held on June 2, 1970, at ten o'clock in the forenoon.

HIGHLIGHTS:

	Fiscal Year Ended Jan. 31, 1970 (53 weeks)	Fiscal Year Ended Jan. 25, 1969 (52 weeks)
Net sales and operating revenues	$457,048,526	$405,752,623
Earnings		
Earnings before extraordinary item	$ 3,674,478	$ 3,281,898
Extraordinary item, net	—	$ 519,998
Net earnings	$ 3,674,478	$ 3,801,896
Per average number of common shares outstanding		
Before extraordinary item	$ 2.39	$ 2.15
Extraordinary item, net	—	$ .34
Net earnings	$ 2.39	$ 2.49
Number of shares outstanding at year-end	1,535,758	1,535,398
Dividends per common share	$ 1.00	$ 1.00
Net working capital	$ 18,745,336	$ 17,503,909
Ratio of current assets to current liabilities	1.70 to 1	1.74 to 1
Book value per common share	$ 23.45	$ 22.06

To our shareholders and employees:

We are pleased to report that new records were established for both sales and earnings for the year just ended.

Sales exceeded $457 million and increased 12.6% over last year. The increase resulted principally from our advertising and promotional programs which were designed to appeal to the cost-conscious consumer.

It is noteworthy that our average annual sales per corporate food store increased 15.2% over the previous year, considerably above the industry average, and 54.7% when compared to five years ago. This is due in part to larger stores but more especially to consumer acceptance of our marketing activities.

Record earnings of $3,675,000 or $2.39 per share, up 12% over last year before non-recurring income, were achieved even though Congress repealed the investment credit early in the year. The increased earnings are attributable primarily to the sales increase and "hold-the-line" approach to all categories of expenses.

A dividend of 25 cents per share was paid for each quarter during the year, the last dividend marking the 93rd consecutive dividend paid by the Company.

Our financial condition remains strong as the Company continued to increase equity.

Store expansion continued but at a slower pace than anticipated as a result of the tight money market. Emphasis was also directed at expansion of our distribution centers made necessary by increased sales. A new warehouse facility has been leased and additional space is either under construction or planned for this year. The added facilities will reduce unit costs and enable us to service new and existing stores and franchise accounts more efficiently.

The Company, through a wholly owned subsidiary, opened a new restaurant late in the year. Named the Red Key, it is an experiment in fast service, limited menu, prepared foods for takeout as well as on-premises consumption. Results to date are most encouraging but will continue to be studied over the next several months to determine the feasibility of adding new corporate and franchise units.

The elimination of stamps and the reduction of prices in selected markets have also proved successful in terms of both sales and earnings. Additional markets are under study and will be converted to similar operations wherever circumstances warrant.

Because of the changes taking place in the area of consumer protection and education, several new programs were developed during the year to establish better communications between the Company and its all-important customers. Response to these programs by consumers has been favorable and additional programs are planned for this year.

Shortly after year-end three employees were promoted to Vice President and one to Assistant Vice President. These promotions reflect the continuing opportunity for advancement within the Company.

The record sales and earnings for the year support our marketing strategy, and we are confident that the momentum built up during the past two years will continue to yield favorable results in the year ahead.

On behalf of the officers and directors, we extend to you our appreciation and best wishes.

JAMES A. WATSON
Chairman of the Board

JAMES H. WILLE
President

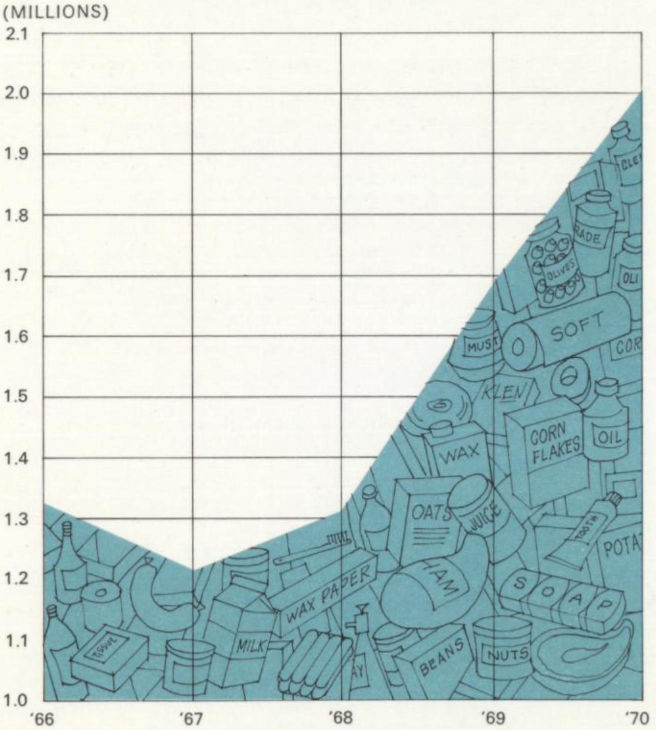
Review of the year's Operations

CONSOLIDATED SALES

Consolidated sales for the fiscal year ended January 31, 1970 reached a record $457,048,526 and were 12.6% over last year's $405,752,623.

Sales gains were registered by all operating divisions of the Company and were achieved primarily by continued consumer acceptance of the unique Price Rebellion™ program plus additional advertising and promotional activities stressing a wide variety of products at low prices.

SALES PER STORE



As illustrated on the chart above, average annual sales per corporately operated food store amounted to $2,021,107 for the year, up 15.2% over last year and 54.7% over five years ago. In marked contrast, average sales per store for food chains throughout the country increased only 6% over the previous year according to an industry sponsored report published by Cornell University.

In addition to marketing activities, the Family Centers and larger conventional food stores contributed to our increase in sales per store.

CONSOLIDATED NET EARNINGS

Consolidated net earnings of $3,674,478 for the year, as against last year's $3,281,898 before extraordinary income, increased 12%. Earnings of $2.39 per share compares to $2.15 last year before the 34 cent per share non-recurring item.

The record earnings for the 53 week fiscal year were the result of the sales increase coupled with rigid expense control throughout the Company. Earnings were also enhanced by periodic purchases of merchandise in excess of normal requirements to take advantage of special low prices. New data processing techniques also reduced costs in several areas of the Company.

DIVIDENDS

Dividends were paid quarterly at the rate of 25 cents per share. The 4th Quarter dividend was paid on February 13, following year-end, and has been reflected in the financial statements.

FINANCIAL DATA

At year-end net working capital amounted to $18,745,336 as against $17,503,909 at the close of the previous fiscal year. The current ratio was 1.70 to 1 vs. 1.74 to 1 a year earlier. Long term debt, however, was reduced $144,241 during the year.

Expenditures for fixtures, equipment and leasehold improvements amounted to $6,115,750, of which $2,908,143 was provided by depreciation and amortization.

EXPANSION

During the year 14 new units were added, of which three were replacement stores. Three stores also underwent major remodeling. Total new space added during the year exceeded 272,000 square feet. The closing of twelve unprofitable stores and the conversion of five smaller stores to franchise oper-

ations account for the net decrease of six stores during the year.

Because of increased sales, a critical space shortage developed at the Hopkins and Fargo distribution centers and the St. Paul non-foods warehouse. To remedy this shortage, construction commenced on a 75,000 square foot addition to the Fargo grocery warehouse. Also, shortly after year end the Company leased an existing facility of 127,000 square feet in Albert Lea, Minnesota. Plans are also underway for the construction of a new non-foods warehouse to replace the St. Paul facility. Based on current projections, the additional space will accommodate planned growth for the next five years.

The construction of a new meat service center adjacent to the Hopkins warehouse is on schedule and is expected to be completed and operational by September of this year.

RED KEY RESTAURANT

On January 13, 1970, Red Key Foods, Inc., a wholly owned subsidiary of the Company, opened a fast service restaurant in suburban Minneapolis. The restaurant, with Old English decor, features roast beef, corned beef and ham sandwiches at moderate prices with a variety of take-out foods.

Results to date, while encouraging, will be studied for several more months to determine the long range profit potential. If successful, additional franchised and corporately operated units will be considered.

MARKETING ACTIVITIES

The conversion of 21 conventional supermarkets issuing trading stamps to low priced, non-stamp operations has been highly successful both in sales and earnings. The use of trading stamps will continue to be studied on a market-by-market basis with similar conversion effected wherever circumstances warrant.

CONSUMER RELATIONS

Several new programs were initiated during the year to assist us in communicating with today's more knowledgeable consumer. Examples of a few of these programs are:

- Direct Line to the President. Customers were provided with pre-addressed post cards enabling them to communicate directly with the President of the Company. Mr. Wille received, answered and took action on hundreds of cards.
- Consumer panels were asked to suggest and comment on new store design and operations. We received many good suggestions on what Mrs. Consumer would like to find in her "ideal" store.
- Meat cutting demonstrations and other product information sessions were conducted with groups of consumers to demonstrate and explain the quality of Red Owl products. The focal point of these sessions was to assist the average consumer in becoming a better shopper.

Because of the favorable consumer response, more programs of this type will be developed this year.

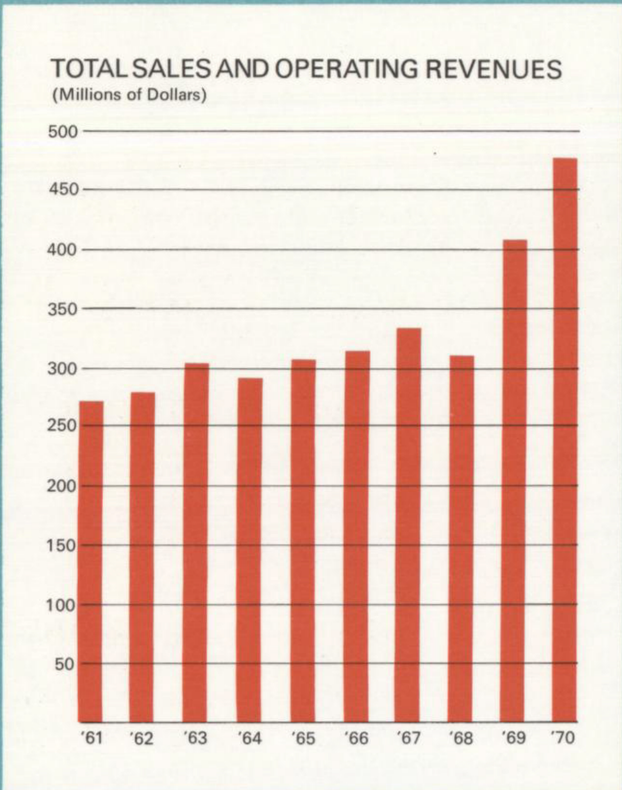
MANAGEMENT CHANGES

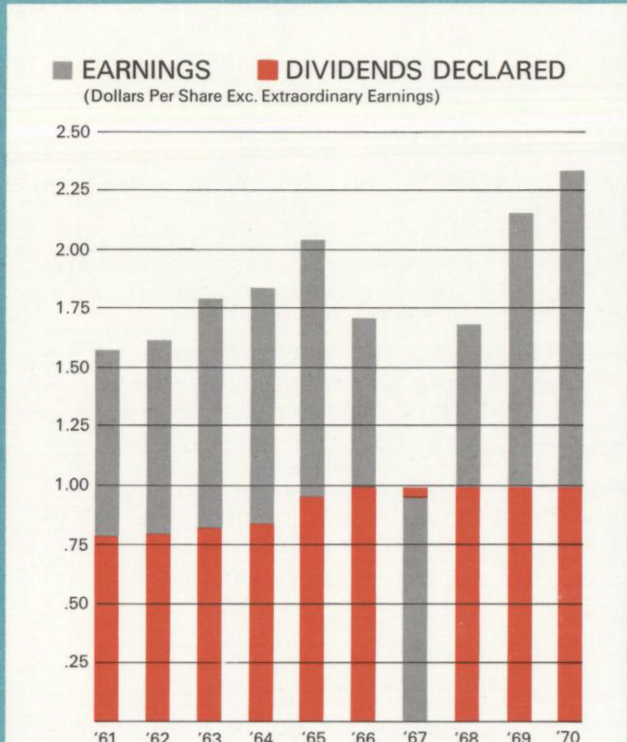
On September 15, 1969, Sheldon V. Durtsche was elected Controller and Assistant Secretary. On February 27, 1970, Raymond O. Hegre was elected Vice President—Advertising and Sales Promotion; Richard C. Johnson, Vice President—Legal; Valdyn W. Schulz, Vice President—Retail Operations; and John Y. Loper, Assistant Vice President—Store Design and Maintenance.

LOOKING AHEAD

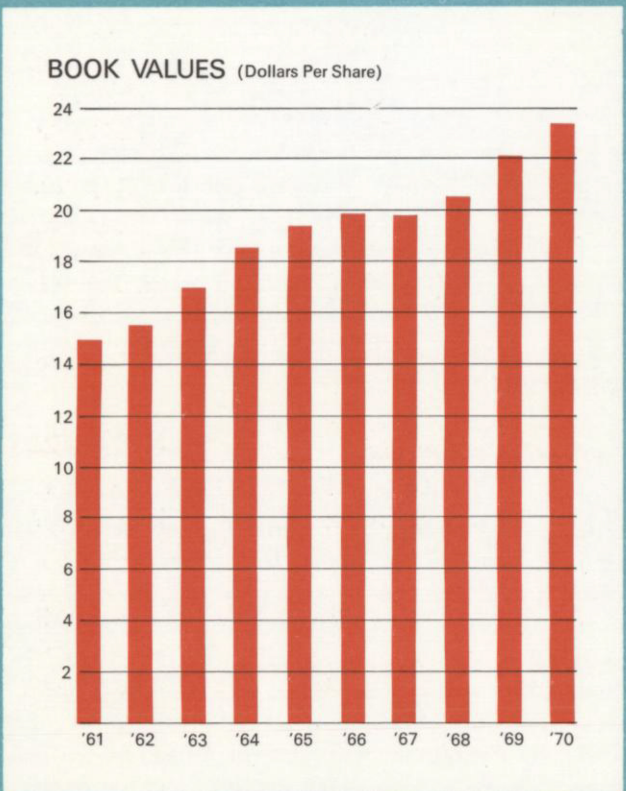
Results to date for the current fiscal year are extremely encouraging. To continue our sales momentum, over 378,000 square feet of new store space will be added this year. Also planned for the year are new and exciting advertising and merchandising programs. To continue our earnings growth, additional stores will be converted to franchised operations, and unprofitable stores will be closed and subleased. Emphasis will also be directed toward further cost reduction in all areas of the Company.

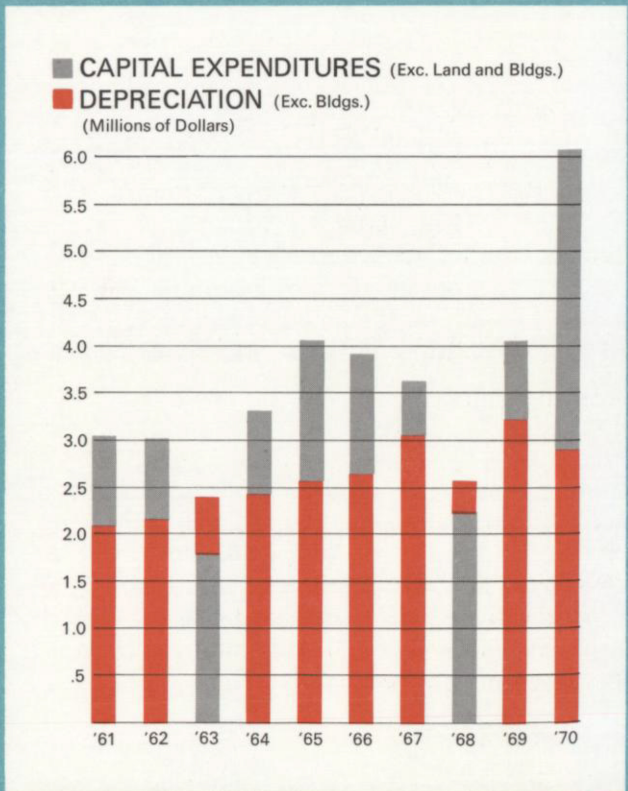
Comparison of sales and operating revenues,
earnings per share, dividends,
book values, capital expenditures and depreciation





(Extraordinary items accounted for an additional 5 cents per share in 1967 and 34 cents in 1969)





RED OWL STORES, INC. AND SUBSIDIARIES

Statement of Consolidated Operations and Retained Earnings

53 weeks ended January 31, 1970 with comparative figures for the 52 weeks ended January 25, 1969

	53 weeks ended Jan. 31, 1970	52 weeks ended Jan. 25, 1969
Net sales and operating revenues	$457,048,526	$405,752,623
Costs and operating expenses:		
Cost of goods sold, including warehousing and transportation expenses	375,623,304	332,687,802
Selling, general and administrative and other operating expenses	72,631,004	65,287,808
Total costs and operating expenses	448,254,308	397,975,610
Operating earnings	8,794,218	7,777,013
Other deductions (income):		
Interest	889,697	938,460
Miscellaneous deductions	294,490	242,121
Miscellaneous income, principally interest	(191,447)	(328,466)
Total other deductions (income)—net	992,740	852,115
Earnings before income taxes and extraordinary item	7,801,478	6,924,898
Federal and State income taxes (note 4):		
Current	4,140,209	3,599,235
Deferred	(13,209)	43,765
	4,127,000	3,643,000
Earnings before extraordinary item	3,674,478	3,281,898
Extraordinary item—gain on sale of net assets of radio stations, net of income taxes	—	519,998
Net earnings	3,674,478	3,801,896
Retained earnings at beginning of year	22,639,280	20,083,863
	26,313,758	23,885,759
Deduct dividends on Red Owl Stores, Inc. common stock—$1.00 per share	1,535,653	1,531,479
Retained earnings at end of year:		
Unappropriated (note 5)	24,778,105	22,354,280
Appropriated for possible future inventory losses	—	285,000
Total at end of year	$ 24,778,105	$ 22,639,280
Per share of common stock:		
Earnings before extraordinary item	$ 2.39	$ 2.15
Extraordinary item, net of income taxes	—	.34
Net earnings per common share	$ 2.39	$ 2.49

See accompanying notes to consolidated financial statements.

RED OWL STORES, INC. AND SUBSIDIARIES

Consolidated Balance Sheet

January 31, 1970 with comparative figures for January 25, 1969

	Jan. 31, 1970	Jan. 25, 1969
ASSETS		
Current assets:		
Cash	$ 3,379,314	$ 3,749,813
Accounts and notes receivable, less allowance for doubtful receivables, $104,841 ($124,220 in 1969)	5,117,144	3,136,257
Merchandise inventories (note 2)	35,358,861	32,470,366
Prepaid expenses	1,517,259	1,677,216
Total current assets	45,372,578	41,033,652
Receivables due after one year and miscellaneous investments, at cost	1,560,017	2,014,669
Property, plant and equipment, at cost less depreciation and amortization (note 3)	26,054,362	24,915,951
Deferred charges	1,213,631	1,151,486
Excess of cost over net assets of consolidated subsidiaries at date of acquisition	106,833	106,833
	$ 74,307,421	$ 69,222,591
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current instalments of long-term debt	$ 1,462,066	$ 1,143,620
Accounts payable	16,582,162	15,414,143
Accrued expenses	4,875,681	4,753,437
Federal and State income taxes (note 4)	3,323,393	1,834,693
Dividends payable	383,940	383,850
Total current liabilities	26,627,242	23,529,743
Deferred income taxes (note 4)	1,824,228	1,837,437
Long-term debt, less current instalments included above (note 5)	9,846,086	9,990,327
Stockholders' equity:		
Preferred stock—par value $100 per share. Authorized 50,000 shares; none issued	—	—
Common stock—no par value, stated value $1.50 per share. Authorized 3,000,000 shares; issued 1,671,598 shares (1,671,238 in 1969) (note 6)	2,507,397	2,506,857
Additional amounts paid in by stockholders (note 7)	11,724,268	11,718,852
Retained earnings (note 5) per accompanying statement	24,778,105	22,639,280
	39,009,770	36,864,989
Less cost of 135,840 shares of common stock held in treasury	2,999,905	2,999,905
Total stockholders' equity	36,009,865	33,865,084
Commitments (note 8)		
	$ 74,307,421	$ 69,222,591

See accompanying notes to consolidated financial statements.

RED OWL STORES, INC. AND SUBSIDIARIES

Statement of Source and Use of Consolidated Funds

53 weeks ended January 31, 1970 with comparative figures for the 52 weeks ended January 25, 1969

	53 weeks ended Jan.31,1970	52 weeks ended Jan.25,1969
Funds provided from:		
Net earnings, including extraordinary item of $519,998 in 1969	$ 3,674,478	$ 3,801,896
Depreciation and amortization of property	3,231,924	3,094,486
Income taxes deferred—net	(13,209)	43,765
Other non-fund charges	495,049	427,175
Total from operations	7,388,242	7,367,322
Additional long-term debt	1,331,411	1,031,000
Net assets of radio stations sold, less net current assets	—	1,977,597
Sales and exchanges of common stock	5,956	260,700
	$ 8,725,609	$10,636,619
Funds used for:		
Property, plant and equipment additions—net:		
Land and buildings	$ 1,412,423	$ 2,462,557
Fixtures, equipment and leasehold improvements	6,115,750	4,104,527
Less net book value of dispositions	(3,157,838)	(936,303)
	4,370,335	5,630,781
Cash dividends on common stock	1,535,653	1,531,479
Reduction of non-current portion of long-term debt, including debenture conversions	1,475,652	3,047,433
Increase in other assets—net	102,542	654,068
Increase (decrease) in working capital	1,241,427	(227,142)
	$ 8,725,609	$10,636,619

See accompanying notes to consolidated financial statements.

RED OWL STORES, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

January 31, 1970

Note 1.

The accompanying consolidated financial statements include the accounts of the Company and all active subsidiaries. Gamble-Skogmo, Inc. currently owns approximately 81% of the Company's outstanding common stock.

Note 2.

Merchandise inventories of dry groceries in the Company's retail stores are valued at the lower of cost or market generally determined by the retail inventory method; merchandise inventories in drug and grocery stores of subsidiaries are valued at the lower of cost or market at various dates during the last three months of the fiscal year, adjusted for transactions to January 31, 1970 on the basis of gross profit percentages; warehouse and other inventories are valued at the lower cost (first-in, first-out or average) or replacement market. Details of merchandise inventories are as follows:

	Jan. 31, 1970	Jan. 25, 1969
Retail stores	$17,453,773	$15,830,893
Warehouses	16,982,369	15,563,730
Other and in transit	922,719	1,075,743
	$35,358,861	$32,470,366

Note 3.

Property, plant and equipment, at cost less depreciation and amortization are summarized as follows:

	Jan. 31, 1970	Jan. 25, 1969
Land	$ 1,486,292	$ 1,847,172
Buildings	9,127,080	9,409,615
Furniture, fixtures and equipment	28,515,218	26,987,968
Automotive equipment	4,946,076	4,108,455
Leasehold improvements, less amortization	2,659,053	1,640,839
Construction in progress and property held for sale	1,460,627	2,279,217
	48,194,346	46,273,266
Less accumulated straight-line depreciation	22,139,984	21,357,315
	$26,054,362	$24,915,951

Note 4.

Current Federal income taxes of the Company and its subsidiaries have been computed on a separate-return basis, although taxable income of the Company and subsidiaries will be included in a consolidated Federal income tax return of Gamble-Skogmo, Inc. and its subsidiaries. Accordingly, the liability for Federal income taxes in the accompanying balance sheet includes approximately $2,950,000 payable to Gamble-Skogmo, Inc. in lieu of Federal income tax payments.

Deferred income taxes represent net taxes applicable to major timing differences between taxable income and pretax accounting income.

Note 5.

Long-term debt and related restrictions are summarized as follows:

4¾% convertible subordinated debentures due 1978	$ 93,000
Lease-purchase obligation due 1985	419,416
Notes payable:	
5½% to 9½%, unsecured, due to 1990	6,187,369
4½% to 8½%, secured by equipment and real estate, due to 1993	4,608,367
	11,308,152
Less current instalments	1,462,066
	$ 9,846,086

The Company has a revolving credit agreement which provides for loans from Gamble-Skogmo, Inc. up to $7,000,000 through December 19, 1971, with interest related to the prime rate.

Aggregate annual maturities and sinking fund requirements in the five fiscal years subsequent to 1971 are as follows: 1972, $3,243,866; 1973, $1,296,600; 1974, $940,132; 1975, $1,049,461; 1976, $820,289.

The 4¾% subordinated debentures are convertible into shares of the Company's common stock at $16⅔ per share, subject to adjustment under certain conditions.

Restrictions on payment of dividends (except stock dividends) and purchase, redemption or retirement of capital stock are imposed by the terms of agreements relating to the Company's outstanding long-term debt. Retained earnings at January 31, 1970 free from restrictions, based on working capital and retained earnings requirements under the most restrictive of the agreements, amounted to approximately $2,478,000.

Note 6.

Of the authorized common stock, 5,580 shares are reserved for issuance upon conversion of the 4¾% subordinated debentures, 25,800 shares are reserved for issuance upon exercise of options granted under the Employee's Qualified Stock Option Plan and 6,340 shares remain available for granting of future options.

Under the qualified plan, options are granted at not less than 100% of market value at dates granted and become exercisable over a period of four years commencing one year after dates granted. All options expire, subject to earlier expiration in the event of termination of employment, if not exercised within five years of dates granted. Outstanding options have been granted at prices ranging from $18.75 to $26.75 per share; at dates of grant, shares under options had an aggregate market value of $610,762, an average of $23.67 per share. Changes during the year in stock options held by key employees are summarized as follows:

	Options granted		Options exercisable	
	Shares	Amount	Shares	Amount
Balance at beginning of year	29,440	$699,912	8,252	$184,512
Granted or became exercisable	—	—	6,500	153,628
Cancelled or expired	(3,640)	(89,150)	(2,840)	(69,950)
Balance at end of year	25,800	$610,762	11,912	$268,190

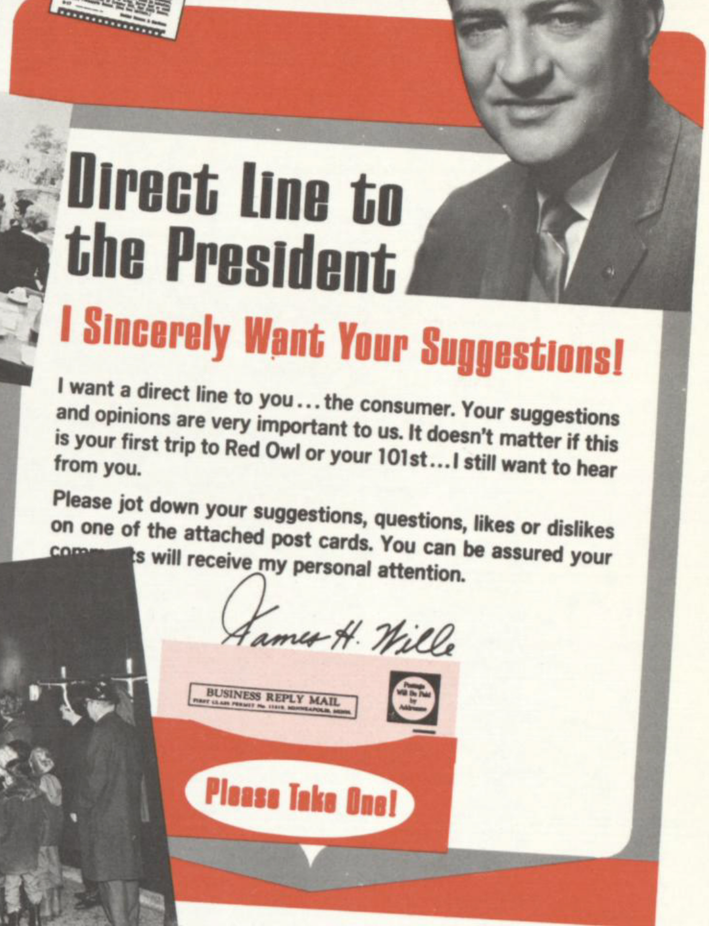
Note 7.
Additional amounts paid in by stockholders during the period, $5,416, represent the excess of conversion price over stated value of 360 shares of common stock issued on conversion of 4¾% subordinated debentures net of unamortized debenture issuance expenses.

Note 8.
The companies lease 322 store and warehouse properties under leases expiring through fiscal year 1993. Minimum rentals required by lease in effect for fiscal year 1971, excluding taxes, insurance and maintenance costs payable by the companies, are $6,160,206 (including $1,457,562 applicable to 96 properties sublet to franchise operators and others). Minimum rentals on such leases subsequent to 1971 are as follows:

1972	$ 5,869,500
1973	5,575,900
1974	5,119,700
1975	4,577,900
1976-1980	16,261,600
1981-1985	5,508,100
After 1985	1,418,500

In addition, the companies have entered into agreements to lease store properties at new locations for initial periods of 15 to 20 years at minimum annual rentals which will aggregate approximately $344,000.

Note 9.
Effective January 25, 1969, the Company and its subsidiaries joined with its parent in adopting a pension and thrift-sharing plan covering all regular full-time employees, other than employees covered by labor-management plans. Former pension plans were amended to comply with provisions of the new pension plan. The total pension and thrift-sharing expense for 1970 and 1969, excluding the expense of labor-management plans was $646,599 and $590,154, respectively, which includes, as to 1970, normal cost and interest on prior service cost. The actuarially computed value of vested benefits is fully funded.



Area Women Assist In Planning Pierre Red Owl Family Center

PIERRE — Over one hundred homemakers from Pierre and surrounding areas were the guests of Red Owl Stores, Inc. at a consumer meeting in Pierre, June 5.

The purpose of the meeting was to organize a Consumer Relations Board and present the ladies with an opportunity to tell Red Owl their pet peeves about shopping and what they wanted in the way of products, facilities and conveniences in the new Red Owl Family Center scheduled to open early next year.

There to respond to questions and suggestions were James A. Watson, President and Chairman of the Board; Ray Hegre, Assistant Vice President Advertising; Vern Tukua, Tri-State Divisional Manager; Clayton Gaulrapp, Pierre District Sales Manager; Kathryn Searight, Consumer Relations Manager and Don Wiest, the new Family Center store manager.

This was the second consumer panel meeting held in Pierre in connection with the planning of the new store. According to a statement by Watson, "The fact that we are here today emphasizes the importance we place upon the Family Center in Pierre." This center will service all of south central South Dakota. With 73,000 square feet of space it will be the largest store in our company. We felt it would be very important to listen to the views of the women who would actually be shopping in the store.

Indicative of the company's continuing consumer awareness is this representative collage of related activity during 1969.

ACCOUNTANTS' REPORT

PEAT, MARWICK, MITCHELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
MIDWEST PLAZA BUILDING
MINNEAPOLIS, MINNESOTA 55402

The Board of Directors and Shareholders
Red Owl Stores, Inc.:

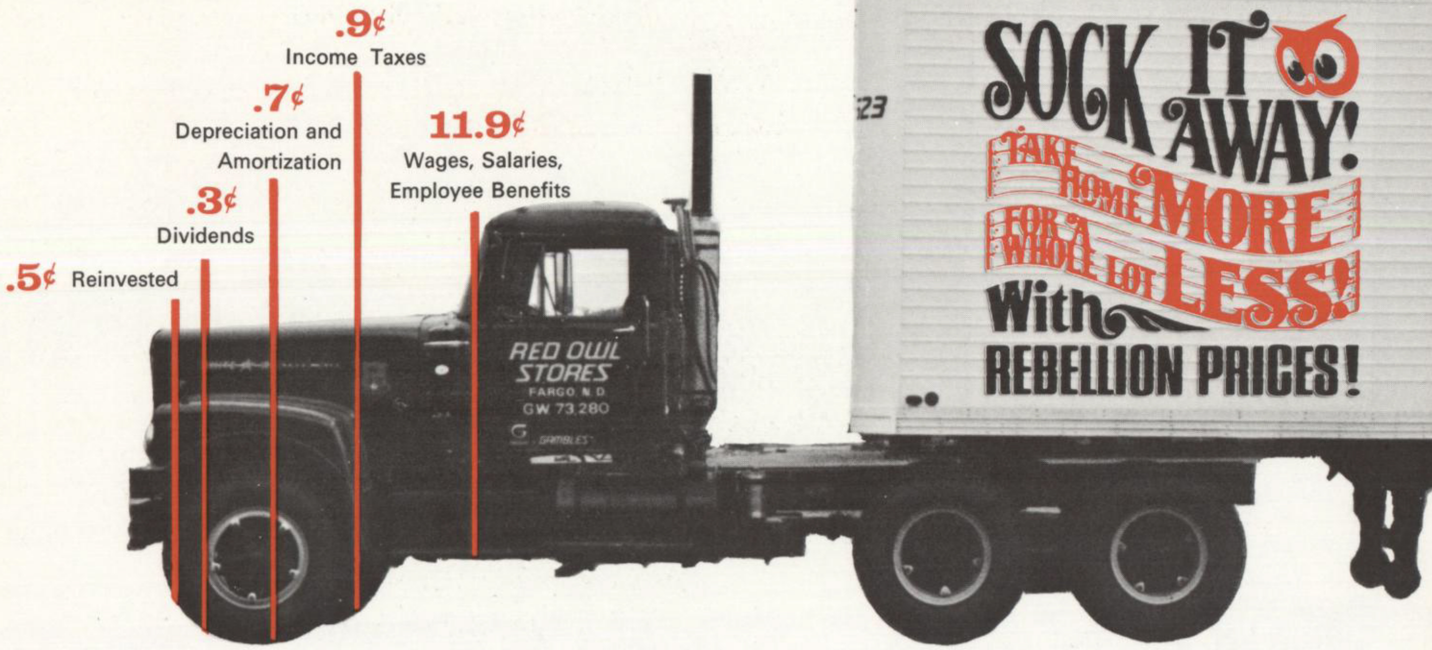
We have examined the consolidated balance sheet of Red Owl Stores, Inc. and subsidiaries as of January 31, 1970 and the related statement of consolidated operations and retained earnings and the statement of source and use of consolidated funds for the fifty-three weeks then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the financial position of Red Owl Stores, Inc. and subsidiaries at January 31, 1970 and the results of their operations for the fifty-three weeks then ended, in conformity with generally accepted accounting principles applied on a consistent basis. Also, in our opinion, the accompanying statement of source and use of consolidated funds for the fifty-three weeks ended January 31, 1970 presents fairly the information shown therein.

March 21, 1970

Peat, Marwick, Mitchell & Co.

How the sales dollar was divided . . .



Ten Year Comparative Figures

FISCAL YEAR ENDED IN	1970	1969	1968
(000's omitted)			
Net sales and operating revenues	**$457,049**	$405,753	$313,328
(000's omitted)			
Earnings before extraordinary items	**3,674**	3,282	2,485
Extraordinary items, net	—	520	—
Net earnings for year	**3,674**	3,802	2,485
Dividends on common stock	**1,535**	1,531	1,521
Net earnings for year retained in business	**2,139**	2,271	964
Per average number of common shares outstanding:			
Earnings before extraordinary items	**2.39**	2.15	1.64
Extraordinary items, net	—	.34	—
Net earnings	**2.39**	2.49	1.64
Dividends per common share	**1.00**	1.00	1.00
Net working capital (000's omitted)	**18,745**	17,504	17,731
Ratio of current assets to current liabilities	**1.70 to 1**	1.74 to 1	1.81 to 1
Stockholders' equity (000's omitted)	**36,010**	33,865	31,334
Common shares outstanding	**1,535,758**	1,535,398	1,522,348
Book value per common share	**23.45**	22.06	20.58
Number of common shareholders	**2,222**	2,253	2,286
Number of stores at close of year:			
Retail (including drug and restaurant)	**218**	224	217
Franchise and Wholesale**	**274**	274	278
Total sq. ft. retail stores	**2,869,570**	2,853,081	2,697,541
Number of employees (including part-time)	**9,400**	9,200	8,800

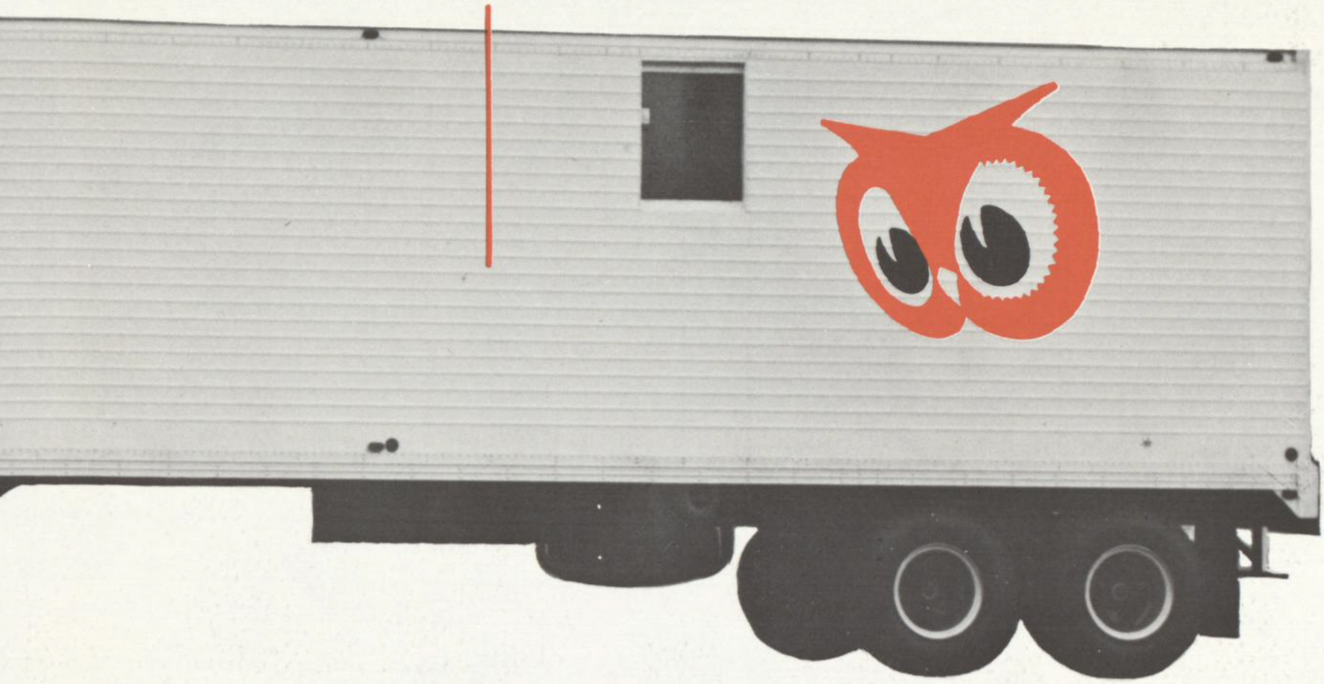
*Figures have been adjusted to reflect retroactive application of a special credit in 1961.

**1968 Reflects disposition of Denver wholesale accounts.

NOTES: Comparative figures have been adjusted, where applicable, for the two-for-one stock distribution on March 22, 1963, to holders of record on March 15, 1963.

Due to change in fiscal year-end, 1968 covers a 48-week period.

85.7¢
Merchandise, Transportation & Handling



1967	1966	1965	1964	1963	1962	1961
$337,483	$315,524	$304,924	$296,475	$300,247	$279,188	$274,592
1,452	2,595	3,042	2,768	2,653	2,374	2,248
78	—	—	—	—	—	—
1,530	2,595	3,042	2,768	2,653	2,374	2,248
1,533	1,492	1,419	1,350	1,217	1,110	1,078
(3)	1,103	1,623	1,418	1,436	1,263	1,170*
.95	1.74	2.04	1.85	1.80	1.71	1.67
.05	—	—	—	—	—	—
1.00	1.74	2.04	1.85	1.80	1.71	1.67
1.00	1.00	.95	.90	.82½	.80	.80
18,936	14,881	16,226	16,322	18,356	14,918	13,172
2.01 to 1	1.75 to 1	1.92 to 1	1.95 to 1	2.18 to 1	2.08 to 1	2.13 to 1
30,216	29,604	28,745	27,073	26,148	22,146	20,214
1,513,028	1,481,476	1,491,681	1,480,221	1,498,106	1,404,266	1,363,732
19.97	19.98	19.27	18.29	17.45	15.77	14.82
5,270	4,501	4,123	4,249	4,182	4,078	4,183
235	207	204	195	195	172	166
494	484	474	454	450	426	423
2,912,260	2,583,209	2,510,275	2,324,218	2,340,341	2,076,306	1,931,107
8,400	8,025	7,850	7,600	7,700	7,400	7,000

THE MINNEAPOLIS STAR

Tuesday, Jan. 27, 1970

Don Morrison

Carry-outs carry on

At the other end of the eating scale, there are two new entries in the explosion of new quick-food establishments locally.

I've sampled the full spectrum of take-home foods from the Red Key, the pilot installation of the Red Owl Stores' planned chain. It is in the Knollwood Plaza shopping center on Hwy. 7 in St. Louis Park.

The goodies are indeed goodies — even some that I tried cold the next day, which is a real test. Fat, excellent beef, ham and corned beef sandwiches (at 79 and 89 cents) are key items. Good barbecue or horseradish sauces accompany. There is crisp, flavorful fried chicken and really excellent fish and chips. The Red Key also seats 50 amid a flurry of Olde English decor.

I haven't sampled the output of Duff's Fun Foods Hwy. 494 and Portl

Above: Interior view of the uniquely Old English style Red Key fast food restaurant in St. Louis Park, Minnesota, which opened early January.

At Right; Distinctive "Red Key" exterior sign.

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